



Congress of the United States
House of Representatives
Washington, DC 20515-3605

April 7, 2020

The Honorable Steven Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

The Honorable Jovita Carranza
Administrator
U.S. Small Business Administration
409 3rd Street SW
Washington, D.C. 20416

Dear Secretary Mnuchin and Administrator Carranza,

I appreciate your efforts to stand up the Paycheck Protection Program so quickly. It will bring much needed relief to small and medium-sized businesses, non-profits and independent contractors across the country. At the same time, I am beginning to receive inquiries from smaller, community-based lenders about the rollout of the program.

While big banks like Bank of American and Citibank have thousands of employees who can originate loans as well as navigate complicated legal and compliance issues, a small lender may only have a handful of employees who they are able to dedicate to the same task. That not only puts community banking at a competitive disadvantage, but more importantly it puts the small businesses in the community they serve at a disadvantage. While this is an ongoing problem with financial regulations generally, it is not a problem these communities should have to face in the middle of a response to the COVID-19 pandemic. A community lender should not need a small army of lawyers to tell them if they are handling these new loans correctly.

We must ensure that small businesses in every corner of American have access to these loans if they need this emergency capital. Therefore, I am asking for the following.

1. Stabilize the E-Tran loan portal and provide any other technical fixes to loan processing as quickly as possible.

2. Take steps to ensure that financial institutions with less than \$10 billion in assets are not shut out of the program in order to ensure you are serving rural communities and smaller businesses.
3. Immediately stand up a hotline or other call center for community lenders to receive timely technical assistance as they navigate the loan process.
4. Provide additional guidance for lenders and small businesses as warranted to ensure they are not disadvantaged in the process.

The American economy finds itself in an unprecedented crisis not of its own making. Now is the time to ensure that every corner of our great country is served by the assistance Washington is offering. Thank you for your time and immediate attention to fixing the rollout of the Payment Protection Program.

Sincerely,

A handwritten signature in blue ink that reads "Michael Cloud". The signature is fluid and cursive, with the first name "Michael" and last name "Cloud" clearly distinguishable.

Michael Cloud